



**Purchasing Supply Agreement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 35  
AGENDA DATE: Thu 01/27/2005  
PAGE: 1 of 2**

**SUBJECT:** Authorize execution of a 12-month supply agreement with DXI INDUSTRIES, Houston, TX, for liquid chlorine for the Austin Water Utility in an amount not to exceed \$781,532, with two 12-month extension options in an amount not to exceed \$781,532 per extension option, for a total agreement amount not to exceed \$2,344,596.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$521,021 is available in Fiscal Year 2004-2005 Approved Operating Budget of the Austin Water Utility. Funding for the remaining four months and extension options is contingent upon available funding in future budgets.

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING** Purchasing **DIRECTOR'S**  
**DEPARTMENT:**for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Stephen T. Aden, Supervising Senior Buyer, 974-2021

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Low bid of two bids received.

**MBE / WBE:** This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This contract establishes an annual supply agreement with DXI Industries, Inc., to provide liquid chlorine for the Austin Water Utility. The City uses liquid chlorine to disinfect the water and wastewater of the City. The chlorine will be supplied in one ton cylinders for the large water and wastewater treatment plants and 150 pound cylinders for the smaller water and wastewater treatment plants.

The product complies with the American National Standards Institute/American Water Works Association (ANSI/AWWA) Standard B301a-99 which is the standard for chlorine to be used in the treatment of water and wastewater and the American National Standard Institute/National Sanitation Foundation (ANSI/NSF) Standard 60 and 61 which governs the use of direct and indirect additives for the treatment of drinking water.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0



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**BID TABULATION**

Liquid Chlorine  
IFB NO. SA05100011

| <u>Vendor</u>                                     | <u>Item No. 1</u><br><u>1,700/Ton Cylinders</u><br><u>Unit Price</u> | <u>Item No. 2</u><br><u>200/150lb Cylinders</u><br><u>Unit Price</u> | <u>Total Amount</u> |
|---|--|--|---------------------|
| <b>DXI Industries, Inc.</b><br><b>Houston, TX</b> | <b>\$452</b>   | <b>\$65</b>  | <b>\$781,520</b>    |
| Altivia Corporation<br>Houston, TX                | \$494  | \$66   | \$853,000           |

**PRICE ANALYSIS**

- Adequate competition.
- Twenty-seven notices were sent including one WBE firm. Four solicitation packages were issued, none were MBE or WBE firms. Two bids were received. One "No-Bid" was received.
- This contract represents an 11% increase in unit pricing over the previous contract for liquid chlorine awarded in March 2004. This increase can be attributed to increases in manufacturing and fuel costs.

**APPROVAL JUSTIFICATION**

- Low bidder.
- The Austin Water Utility concurs with the recommended award.
- Advertised in the Austin American-Statesman and Internet.